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Phoenix, Arizona 85012
Telephone (602) 916-5000

Arizona Corporation Commission
DOCKETED

AUG 24 2012

DOCKETED BY

DM

Attorneys for Valley Utilities Water Company, Inc.

BEFORE THE ARIZONA CORPORATION COMMISSION

IN THE MATTER OF THE APPLICATION
OF VALLEY UTILITIES WATER
COMPANY, INC., AN ARIZONA
CORPORATION, FOR A DETERMINATION
OF THE FAIR VALUE OF ITS UTILITY
PLANT AND PROPERTY AND FOR AN
INCREASE IN ITS RATES AND CHARGES
FOR UTILITY SERVICE BASED THEREON.

DOCKET NO. W-01412A-12-0195

**NOTICE OF FILING
CERTIFICATE OF PUBLICATION
AND PROOF OF MAILING**

Pursuant to the Procedural Order dated July 23, 2012, Valley Utilities Water Company, Inc. ("Valley Utilities" or "Company") hereby submits this Notice of Filing Certificate of Publication and Proof of Mailing in the above-captioned matter.

On August 17, 2012 notice regarding the February 27, 2013 hearing on Valley Utilities' application for an increase in its water rates was published in the West Valley View. The affidavit of Elliott Freireich, President of West Valley View, Inc., is attached hereto as **Exhibit 1**.

On August 16, 2012, the Company mailed a copy of the notice to its customers. The affidavit of Robert L. Prince is attached hereto as **Exhibit 2**.

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RESPECTFULLY SUBMITTED this 24th day of August, 2012.

FENNEMORE CRAIG, P.C.

By: 

Jay L. Shapiro
Attorneys for Valley Utilities Water
Company, Inc.

ORIGINAL and 13 copies filed
this 24th day of August, 2012 with:

Docket Control
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

COPY of the foregoing
was hand-delivered
this 24th day of August, 2012 to:

Sarah Harpring, ALJ
Hearing Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

Wes Van Cleve
Bridget Humphrey
Legal Division
Arizona Corporation Commission
1200 West Washington Street
Phoenix, Arizona 85007

By: 

7564077.1/024964.0005

EXHIBIT

1

WEST VALLEY BUSINESS

1050 E. Riley Dr., Avondale, AZ 85323 ♦ (623) 535-8439 ♦ Fax: (623) 935-2103

AFFIDAVIT OF PUBLICATION

State of Arizona

County of Maricopa

I, Elliott Freireich, publisher of West Valley View and West Valley Business, newspapers of general circulation in Avondale, Buckeye, Goodyear, Litchfield Park and Tolleson, Arizona, attest that the legal advertisement for

Valley Utilities Water
Public Notice - Notice of Hearing on the
Application for a permanent rate increase
(Ticket No. W-01412A-12-0195)

will be has been published on

August 17, 2012

EZL
Elliott Freireich
President, West Valley View Inc.

August 17, 2012
Date

SUBSCRIBED AND SWORN TO BEFORE ME ON THE

17 DAY OF August (Month), 2012 (YEAR)

NOTARY SIGNATURE:

Rene LeeAnn Hartmann



Public Notice

PUBLIC NOTICE OF HEARING ON THE APPLICATION OF VALLEY UTILITIES WATER COMPANY, INC. FOR A PERMANENT RATE INCREASE (DOCKET NO. W-01412A-12-0195)

Summary

On May 30, 2012, Valley Utilities Water Company, Inc. ("Valley Utilities") filed with the Arizona Corporation Commission ("Commission") an application requesting a permanent increase in its rates and charges for water utility services. Valley Utilities asserted that its current rates and charges, established in Decision No. 71482 (February 3, 2010), are inadequate to provide Valley Utilities a fair rate of return on the fair value of its plant and property devoted to public water utility service. Valley Utilities asserted that for its test year ending December 31, 2011 ("TY"), it had adjusted gross revenues of \$1,454,522; adjusted operating income of \$19,630, and a fair value rate base ("FVRB") of \$2,201,395, for a rate of return of 0.89 percent. Valley Utilities requested an increase in revenues of \$157,015, or 10.79 percent, and asserted that this increase would result in a rate of return on its FVRB of 6.451 percent. Valley Utilities further requested that the Commission make permanent the Arsenic Remediation Surcharge Mechanism ("ARSM") approved in Decision No. 71287 (October 7, 2009), which is set to expire on the earlier of August 31, 2013, or the effective date of the rates established in this proceeding.

Under Valley Utilities' proposal, the regular monthly bill for a residential customer served by a ¾" meter, with average monthly usage of 9,425 gallons, would increase from \$38.78 to \$43.80, an increase of \$5.02 or 12.96%. The current arsenic remediation surcharge of \$8.26 per month would also be retained, bringing the customer's total monthly bill to \$52.06.

The Commission's Utilities Division ("Staff") is in the process of auditing and analyzing the application, and has not yet made any recommendations regarding Valley Utilities' proposed rate increase. The Commission will determine the appropriate relief to be granted based on the evidence presented by the parties. **THE COMMISSION IS NOT BOUND BY THE PROPOSALS MADE BY VALLEY UTILITIES, STAFF, OR ANY INTERVENORS; THEREFORE, THE FINAL RATES APPROVED BY THE COMMISSION MAY DIFFER FROM AND MAY BE HIGHER OR LOWER THAN THE RATES REQUESTED BY VALLEY UTILITIES OR RECOMMENDED BY OTHER PARTIES.**

How You Can View or Obtain a Copy of the Rate Proposal

Copies of the application and proposed rates are available from Valley Utilities at 6808 North Dysart Road, Suite 112, Glendale, Arizona, Tuesday through Friday from 8:00 a.m. to 11:30 a.m. and 12:30 p.m. to 4:00 p.m., and at the Commission's Docket Control Center at 1200 West Washington, Phoenix,

Arizona, for public inspection during regular business hours and on the Internet via the Commission's website (www.azcc.gov) using the e-Docket function.

Arizona Corporation Commission Public Hearing Information

The Commission will hold a hearing on this matter in Hearing Room No. 1 at the Commission's offices at 1200 West Washington Street, Phoenix, Arizona 85007. The hearing will commence on **February 27, 2013, at 10:00 a.m.** Oral public comments will be taken on the first day of hearing.

Written public comments may be submitted by mailing a letter referencing Docket No. W-01412A-12-0195 to Arizona Corporation Commission, Consumer Service Section, 1200 West Washington, Phoenix, AZ 85007, or by e-mail. For a form to use and instructions on how to e-mail comments to the Commission, go to http://www.azcc.gov/divisions/utilities/forms/1_publiccommentform.pdf. If you require assistance, you may contact the Consumer Service Section at 1-800-222-7000.

About Intervention

The law provides for an open public hearing at which, under appropriate circumstances, interested parties may intervene. Any person or entity entitled by law to intervene and having a direct and substantial interest in the matter will be permitted to intervene. If you wish to intervene, you must file an original and 13 copies of a written motion to intervene with the Commission no later than **October 12, 2012**, and send a copy of the motion to Valley Utilities or its counsel and to all parties of record. Your motion to intervene must contain the following:

1. Your name, address, and telephone number, and the name, address, and telephone number of any person upon whom service of documents is to be made, if not yourself;
2. A short statement of your interest in the proceeding (e.g., a customer of Valley Utilities, a shareholder of Valley Utilities, etc.); and
3. A statement certifying that you have mailed a copy of the motion to Intervene to Valley Utilities or its counsel and to all parties of record in the case.

The granting of motions to intervene shall be governed by A.A.C. R14-3-105, except that all motions to intervene must be filed on or before October 12, 2012. If representation by counsel is required by Arizona Supreme Court Rule 31, intervention will be conditioned upon the intervenor obtaining counsel to represent the intervenor. For information about requesting intervention, visit the Commission's website at <http://www.azcc.gov/divisions/utilities/forms/interven.pdf>. The granting of intervention, among other things, entitles a party to present sworn evidence at hearing and to cross-examine other witnesses. However, failure to intervene will not preclude any interested person or entity from appearing at the hearing and providing public comment on the application or from filing written comments in the record of the

case.

ADA/Equal Access Information

The Commission does not discriminate on the basis of disability in admission to its public meetings. Persons with a disability may request a reasonable accommodation such as a sign language interpreter, as well as request this document in an alternative format, by contacting the ADA Coordinator, Shaylin Bernal, E-mail SABernal@azcc.gov, voice phone number 602-542-3931. Requests should be made as early as possible to allow time to arrange the accommodation.

Published in the West Valley View, and the West Valley Business on August 17, 2012.

EXHIBIT

2

Exhibit A
to Affidavit of Mailing

PUBLIC NOTICE OF HEARING ON THE
APPLICATION OF VALLEY UTILITIES WATER
COMPANY, INC. FOR A PERMANENT RATE
INCREASE
(DOCKET NO. W-01412A-12-0195)

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Mailing of customer notices
for rate application.

United States Postal Service

Postage Statement—First-Class Mail-Easy Nonautomation Letters, Cards, or Flats

Use this form for First-Class Mail.

Mailing	Permit Holder's Name and Address and Email Address, If Any VALLEY UTILITIES WATER CO., INC. 6808 N. DYSART RD, #112 GLENDALE, AZ 85307	Telephone 623-935-1100	Post Office of Mailing LITCHFIELD PARK	Permit # 701	Weight of a Single Piece 0.0247 pound
			Type of Postage <input checked="" type="checkbox"/> Permit Imprint <input type="checkbox"/> Precanceled Stamps <input type="checkbox"/> Metered	Fed. Agency Cost Code	Number and Type of Containers Sacks Trays 5 Pallets
			Mailer's Mailing Date 8/16/2012	Statement Seq. No.	
			Processing Category <input checked="" type="checkbox"/> Letters (Including Postcards) <input type="checkbox"/> Flats	Total Pieces 1365	Total Weight 33.715
Move Update Method: <input checked="" type="checkbox"/> Ancillary Service Endorsement <input type="checkbox"/> FASTforward <input type="checkbox"/> OneCode ACS <input type="checkbox"/> NCOALink <input type="checkbox"/> ACS <input type="checkbox"/> Alternative Method <input type="checkbox"/> Multiple <input type="checkbox"/> n/a Alternative Address Format					

Postage	Letter-size Mailpieces Contain <input type="checkbox"/> Reply card or reply envelope <input type="checkbox"/> Only contents that are not required to be mailed FCM <input type="checkbox"/> DVD/CD or other disk	Category	Presort Level	Price	Number of Pieces	Total Postage
		Postcards Eligible for Postcard Prices	B1. Presorted	\$0.280	x	
			B2. Single-Piece	0.320	x	
		Letters	B3. Presorted	0.424	x 1365	578.76
			B4. Single-Piece	x		
		Flats	B11. Presorted	x		
			B12. Single-Piece	x		
Total Postage (Add Parts Totals)						578.76
Price at Which Postage Affixed (Check one) Complete if the mailing includes pieces bearing metered or precanceled stamps. <input type="checkbox"/> Correct <input type="checkbox"/> Lowest <input type="checkbox"/> Neither _____ pcs. x \$ _____ = Postage Affixed						
Permit # 701 Net Postage Due (Subtract postage affixed from total postage)						

USPS Use Only	Additional Postage Payment (State reason)	
	Total Adjusted Postage Affixed	
	Total Adjusted Postage Permit Imprint	

The mailer's signature certifies acceptance of liability for and agreement to pay any revenue deficiencies assessed on this mailing, subject to appeal. If an agent signs this form, the agent certifies that he or she is authorized to sign on behalf of the mailer and that the mailer is bound by the certification and agrees to pay any deficiencies. In addition, agents may be liable for any deficiencies resulting from matters within their responsibility, knowledge, or control. The mailer hereby certifies that all information furnished on this form is accurate, truthful, and complete; that the mail and the supporting documentation comply with all postal standards and the mailing qualifies for the prices and fees claimed; and that the mailing does not contain any matter prohibited by law or postal regulation. I understand that anyone who furnishes false or misleading information on this form or who omits information requested on this form may be subject to criminal and/or civil penalties, including fines and imprisonment.

Privacy Notice: For information regarding our Privacy Policy visit www.usps.com.

Signature of Mailer or Agent <i>Scott D. Keith</i>	Printed Name of Mailer or Agent Signing Form Scott D. Keith	Telephone 623-935-1100
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USPS Use Only To be completed by mailer or agent	Weight of a Single Piece	_____ pound
	Total Pieces	_____
	Total Weight	_____
	Postage	_____
	Postage Verification Performed (If required)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (Check one)
	(1) Is the mailer's mailing a First-Class Mail piece?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (Check one)
	(2) Is the mailer's mailing a First-Class Mail piece?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (Check one)
	(3) Is the mailer's mailing a First-Class Mail piece?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (Check one)
	(4) Is the mailer's mailing a First-Class Mail piece?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (Check one)
	(5) Is the mailer's mailing a First-Class Mail piece?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (Check one)